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C O N F I D E N T I A L SECTION 01 OF 02 BUCHAREST 001126

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TAGS: PGOV PREL SOCI ECON MOPS MARR NATO RO
SUBJECT: NEW MOD STATE SECRETARY'S MODEST VISION FOR ROMANIA'S ARMED FORCES

REF: BUCHAREST 1093 (AND PREVIOUS)

Classified By: Deputy Chief of Mission Mark Taplin for Reasons 1.4 (a) (b) and (d)

11. (C) Summary. During a July 11 meeting, the newly appointed MOD State Secretary, Corneliu Dobrotoiu reaffirmed the "centrality" of the U.S.-Romania strategic relationship but insisted that budgetary limitations would force Romania to reexamine its defense commitments. He singled out overseas deployments, the total number of MOD personnel and overall defense spending as among the areas that might be subject to reductions. According to Dobrotoiu, the GOR will "approach" NATO to discuss its contributions to the Alliance, since Romania is in a "critical situation" financially. The DCM stressed the importance of keeping the U.S.-Romanian strategic dialogue separate from spontaneous political impulses. However, the worsening feud between President Traian Basescu and Prime Minister Calin Popescu-Tariceanu --aggravated by the PM's recent surprise call for an Iraq troop withdrawal (Ref) -- could spill over into other aspects of our strategic dialogue. End Summary.

Under the Volcano?

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- 12. (C) State Secretary for Defense Policy Major General (retired) Corneliu Dobrotoiu, whose first day on the job coincided with Prime Minister Calin Popescu-Tariceanu's and Defense Minister Teodor Atanasiu's June 29 unexpected call for a withdrawal of Romanian troops from Iraq (Ref), invited the DCM to meeting at the MOD July 11 to discuss "our most important bilateral relationship -- the U.S.-Romanian relationship." Dobrotoiu acknowledged that the PM/DefMin's Iraq withdrawal call had provoked a "volcanic response" both within Romania and internationally. Dobrotoiu asserted that the PM/DefMin had raised the possibility of a withdrawal because of "the increased maturity of Iraqi forces" and "principally because of problems with funding." Pausing, Dobrotoiu acknowledged that "in a normal situation we should have approached the topic (of Iraq withdrawal) informally" but the "domestic political dialogue has been fractured for some time."
- 13. (C) Dobrotoiu averred that Romania was in "a critical situation" financially and he insisted that "funding issues were what raised the issue (of withdrawal from Iraq) in the first place." He expressed concern that "if the defense budget flattens we will face critical shortages as a NATO ally," since, he continued, costs regarding international deployments would increase. He further asserted that costs related to the impact of the nationwide "flood crisis" over the past year as well as unspecified pressures from the Finance Ministry would force the MOD to reevaluate its NATO

commitments. Specifically, Dobrotoiu continued, "I am not sure how long the government can allocate money for our overly ambitious needs...the government will not approve our request for a defense budget in 2007 equal to 2.38 percent of the GDP (in line with Romania's NATO commitment)." Indeed, he continued, the defense budget "could fall to 1.9 percent next year" and to about 1.2 percent of GDP over the next several years. Further, "it's worth pointing out that we must evaluate the pros and cons of maintaining a peacetime strength of 90,000" both uniformed and civilian MOD personnel. In discussions within the GOR, "the overall size of the peacetime force will be on the table." (Note: The MOD has planned for some time to downsize its peacetime uniformed and civilian personnel, and reduction of the armed forces, especially the army, has been continuously underway as part of a broader military reform effort. End Note.)

Overseas Ops: How Much is Enough?

14. (C) Dobrotoiu reported that a discussion is underway within the MOD regarding "how much international deployment is enough" for Romania. According to Dobrotoiu, "we recognize that the military is a tool for promoting the national interest, but increasing operational readiness is key." He suggested that "too many" overseas deployments actually reduce operational readiness since "we must build capabilities here -- deployments alone won't do that." Romania, he continued, should not be an all-purpose "knight in shining armor" but should "improve the quality" of its armed forces. Alluding for a second time in the meeting to Romania's "over ambitious commitments," he asserted that "we need to find a way out...and we will get back to NATO." (Comment: Notwithstanding the State Secretary's observations, senior Romanian officers have repeatedly stressed to Army

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Attache and other Embassy officers that overseas deployments, including to Iraq and Afghanistan, have enhanced the armed force's readiness and overall capabilities. End Comment.)

- 15. (C) Dobrotoiu admitted that discussions regarding defense spending would be subject to domestic political concerns, noting that the "entire subject" of determining defense budgets has become "entirely politicized". He stated "we've briefed the President on what we want for the defense budget...the President is fully aware and we count on his support." As the DCM exited the MOD, Dobrotoiu vowed, out of earshot of the advisers who had accompanied him to the meeting, that "we will fight" to maintain adequate levels of defense spending. He also acknowledged that the withdrawal announcement had been poorly managed and that the Ministry remained deeply divided over the issue. He expressed thanks for the DCM's offer to help underscore the importance of Romania's honoring its defense commitments, including its defense spending pledges to NATO.
- 16. (C) Dobrotoiu stated that "a core priority will be to improve dialogue" within the MOD since "we need to reassess the level of democratic civilian control of the military." Without offering details, he asserted that "we should leave the military estate out of the political details." In a slightly worrisome juxtaposition, he added that he was determined to root out corruption in military circles. Dobrotoiu's reference was almost certainly an allusion, at least in part, to CHOD Eugen Badalan's public expressions of dissent last year from the GOR's proposed defense budget, along with his recent vote in the CSAT against the Defense Minister's call for an Iraq troop withdrawal. (Ref) Privately, other senior uniformed personnel have expressed their disappointment with the MOD's civilian leadership, especially the lackluster, highly partisan DefMin, a longtime National Liberal Party (PNL) funder and crony of the PM.
- 17. (C) Comment. In response to Dobrotoiu's attempts to link the PM/DefMin's Iraq withdrawal announcement after the fact to "higher costs," "pressure from the Ministry of Finance,"

and "flooding," the DCM noted that these issues were not new and, in any event, did not justify a unilateral call without consultation with allies for an Iraq pullout. Our continuing assessment, he said, was that the decision to call for an Iraq withdrawal was made for domestic political reasons. DCM underscored that such spontaneous "political impulses" should remain separate from our close and productive dialogue on defense and security issues. At one point in the meeting, Dobrotoiu admitted, in passing, that the DefMin had "not expected" the reaction to the announcement. Indeed, Dobrotoiu's request for a meeting with the DCM was almost certainly an attempt to mend fences in the wake of the PM/DefMin's Iraq announcement. Dobrotoiu had also met several days earlier with the ODC chief, during which he underscored the GOR's financial woes while insisting on the solidity of the fundamental U.S.-Romania strategic relationship. While we agree that our relationship remains robust -- and that Dobrotoiu, as number two in the MOD, will likely be an accessible interlocutor -- he remains under the thumb of the DefMin, who is in turn solidly allied with PM Tariceanu. The PM's running feud with the staunchly pro-American Basescu has now spilled over, in dramatic fashion, into the defense, security and foreign policy fields. In the months ahead, that will continue to color our interaction with Bucharest -- and particularly with the Prime Minister and the Ministry of Defense. End Comment.

18. (U) Amembassy Bucharest's reporting telegrams are available on the Bucharest SIPRNet website: www.state.sgov.gov/p/eur/bucharest TAUBMAN